

CAESARS ENTERTAINMENT INC
Form 4
June 15, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BARR WALLACE R

2. Issuer Name and Ticker or Trading Symbol
CAESARS ENTERTAINMENT INC [cZR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3930 HOWARD HUGHES PARKWAY

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
06/13/2005

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Chief Executive Officer

LAS VEGAS, NV 89109

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	06/13/2005		D	29,401 D (1) 0	D		
Common Stock SRU	06/13/2005		D	755,000 D (2) 0	D		
Restricted Stock Units	06/13/2005		D	80,000 D (3) 0	D		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Non-Qualified Stock Option (right to buy)	\$ 16.375	06/13/2005		D	400,000	09/23/2005	09/23/2014	Common Stock	4

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARR WALLACE R 3930 HOWARD HUGHES PARKWAY LAS VEGAS, NV 89109			Chief Executive Officer	

Signatures

WALLACE R.
BARR
06/13/2005
Date

**Signature of Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- Pursuant to the Agreement and Plan of Merger, dated as of July 14, 2004 (the "Merger Agreement"), by and among Caesars, Harrah's Entertainment Inc. ("Harrah's") and Harrah's Operating Company, Inc., at the effective time of the merger contemplated therein, each outstanding share of Caesars common stock was converted into the right to receive either 0.3247 shares of Harrah's common stock or
- (1) \$17.75 in cash, at each stockholder's election and subject to proration as described in the Merger Agreement. As a result of the proration calculations that have not yet been completed as of the date of this filing, it is not possible to determine the exact amount of merger consideration to be received by the reporting person for each share of Caesars common stock disposed of in the merger. Harrah's will issue a press release announcing the final merger consideration when it is determined.
 - (2) Disposed of pursuant to merger agreement between issuer and Harrah's Entertainment Inc. in exchange for 245,148 shares of HET common stock with a market value of \$73.17 per share on the effective date of the merger.
 - (3) Disposed of pursuant to merger agreement between issuer and Harrah's Entertainment Inc. in exchange for 25,976 shares of HET common stock with a market value of \$73.17 per share on the effective date of the merger.
 - (4) This option, which provided for vesting in four equal annual installments beginning September 23, 2005, was assumed by Harrah's and replaced with an option to purchase 129,880 shares of HET common stock for \$50.44 per share.

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Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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